



ECONOMIC IMPACT OF CALIFORNIA HIGH-SPEED RAIL

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Business Advisory Council Meeting**

**August 17, 2017
Sacramento, CA**



WHAT IS THE ECONOMIC IMPACT OF HIGH-SPEED RAIL?

- **Key Questions:**

- » What economic activity has High-Speed Rail investment generated?
- » How much investment stayed in the State of California?
- » What was the distribution of investment within the State, including in Disadvantaged Communities?
- » How many companies (large & small) have contributed to high-speed rail?

HOW DID WE EVALUATE THE ECONOMIC IMPACT?

- **10 Years of Data**
 - » July 2006 to June 2016
- **Reviewed Contracts & Invoices, Conducted Interviews & Site Visits**
- **Utilized Industry-Standard Economic Models**
- **Received External Validation**

VALIDATION OF OUR ANALYSIS

- California Department of Finance
- California Department of Labor
- Legislative Peer Review Group
- Center for Business and Policy Research at the University of the Pacific:

“The Authority has conducted a thorough economic impact analysis on current and previous investments in high-speed rail across California. After reviewing the study, we believe that the methodology and assumptions used for this project are sound and in keeping with other economic impact reports of similar focus. As such, the findings appear valid and within an acceptable range.”

Thomas Pogue, Associate Director

HIGH-SPEED RAIL: Direct Investment



\$2.3 Billion



\$2.3 Billion from July 2006 through June 2016

- 94% Went to California Firms And Workers
- Over 70% was Funded by Federal Funds (ARRA)



HIGH-SPEED RAIL: Economic Output

Indirect Effects

Concrete
Steel
Supplies
Transport
Computers
Parts
Office Supplies
And more...



Direct Spending

Contractors

- Construction workers' salaries
- Manufacturing, production, construction

Employees

- Salaries/rent/other expenses



Induced Effects

Housing
Groceries
Retail
Recreation
And more...



HIGH-SPEED RAIL: California Economic Impacts



**JOB-YEARS OF
EMPLOYMENT**

19,900 - 23,600



**LABOR
INCOME**

\$1.38B - \$1.68B



**ECONOMIC
OUTPUT**

\$3.5B - \$4.1B

HIGH-SPEED RAIL: Regional Economic Impacts



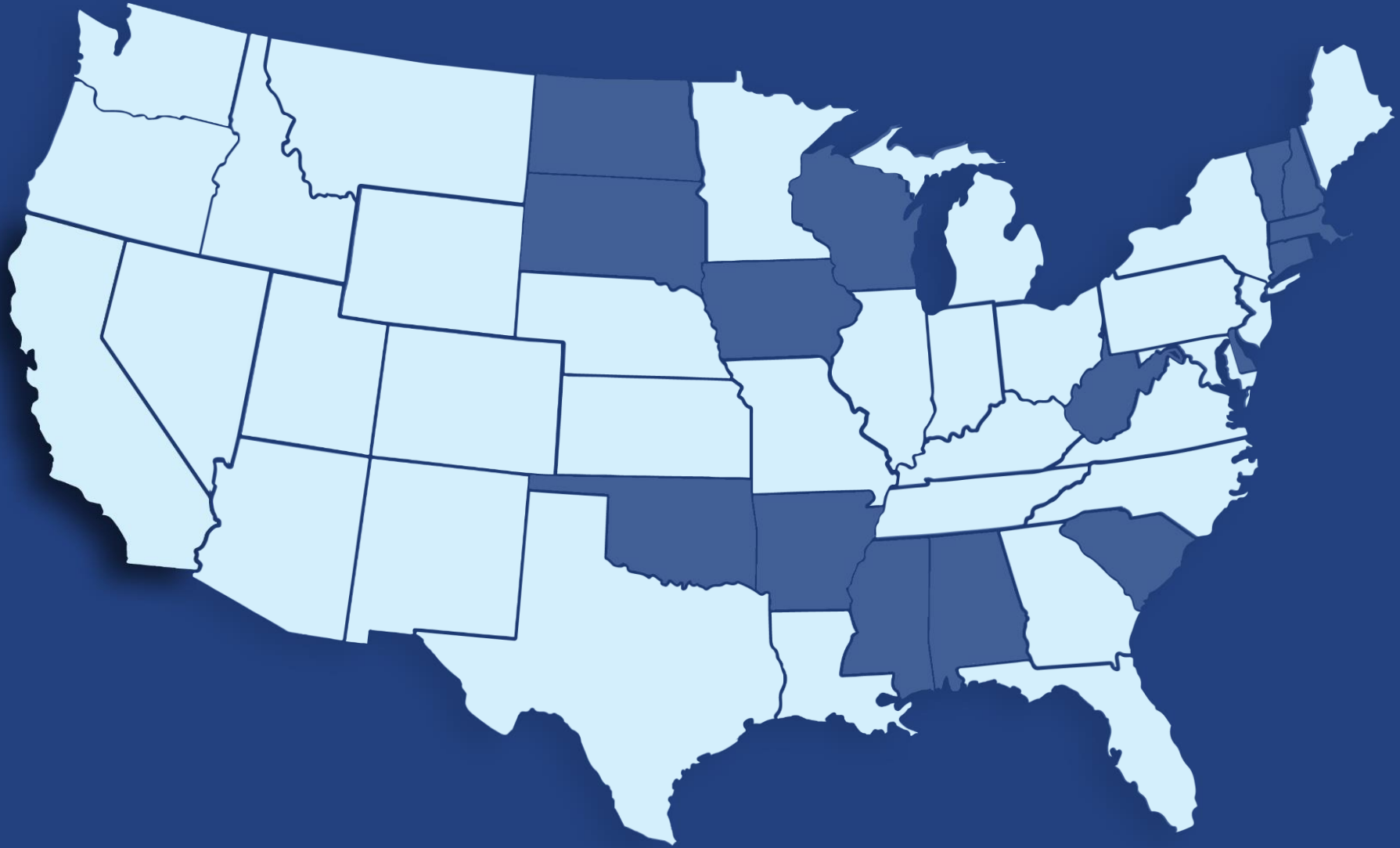
BAY AREA	
Job-Years of Employment	2,500
Labor Income	\$240M
Economic Output	\$460M

SOUTHERN CALIFORNIA	
Job-Years of Employment	2,500
Labor Income	\$190M
Economic Output	\$420M

SACRAMENTO	
Job-Years of Employment	4,200
Labor Income	\$290M
Economic Output	\$710M

CENTRAL VALLEY	
Job-Years of Employment	6,800
Labor Income	\$330M
Economic Output	\$1.2B

CALIFORNIA PROJECT: National Impact





RESOURCES

- **BuildHSR.com** - <https://www.buildhsr.com/>
- **ConnectHSR.com** - http://hsr.ca.gov/Programs/Small_Business/vendor_registry.html
- **Factsheet** - http://hsr.ca.gov/docs/brdmeetings/2017/brdmtg_071817_Item4_ATTACHMENT_Economic_Impact_Fact_Sheet.pdf
- **Infographic** - http://hsr.ca.gov/docs/brdmeetings/2017/brdmtg_071817_Item4_ATTACHMENT_Economic_Impact_Infographic.pdf
- **Technical Memo** - http://hsr.ca.gov/docs/brdmeetings/2017/brdmtg_071817_Item4_ATTACHMENT_Economic_Impact_Technical_Memorandum.pdf
- **NEW Interactive Map** - https://www.buildhsr.com/maps/economic_impacts/

